From: Daniel F. Schmidt
To: Microsoft ATR
Date: 1/24/02 10:32am
Subject: Microsoft Settlement

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OK, so let me see if I'm reading the Final Judgement right:

- Microsoft doesn't have to admit to being a monopoly, or to being guilty of anything, in spite of the fact that they \_have\_ been judged to be one.
- Retaliation against OEMs is prohibited, but impossible to prove, given the way things are set up. On the other hand Microsoft can cancel a licensing contract with any OEM, whenever they feel like it, so long as they give them written notice and the supposed reason for the cancellation.
- They can't prevent OEMs from installing and/or displaying icons, shortcuts, or menu entries for non-MS middleware...unless they make changes in the Windows Documentation; sure, they'll have to prevent their own middleware from working, but that's OK, they can charge whatever they want for the OS and sell the middleware separately, plus they don't even have to document it if they do the beta testing right (see below)...
- MS can't prevent ISVs from competing with them, or advertising competing products...unless it's written into a contract they have with them (and if it isn't and they compete, you can be sure MS will do everything in their power to make sure things don't work, then claim IP protection allows them to do so, thanks to the clause right afterwards). Not to mention that if you don't have a contract with MS, they can easily punish the ISV by forcing incompatibilities through new "features" (see the part on ActiveX controls) or by implementing some sort of proprietary security meaures (see the part on APIs and Communications Protocols), whose workings they then cannot disclose (so sorry)...
- MS can't force vendors to support their OSs whether they want to or not...unless it becomes apparent that the vendors could conceivably sell \_more\_ non-MS products than MS products, thereby (god forbid) encouraging some semblance of competition...ah, the free market at work...
- MS can't prevent non-MS middleware from loading...unless they come up with a new "feature" involving ActiveX controls that the non-MS middleware is incompatible with; not that they would \_ever\_ do something like that. Yes, they have to tell the ISV, and they will, at the last possible moment, delaying as much as possible, until that particular bit of MS middleware is either very well established or can be claimed as "a necessary part of the OS", or somesuch thing.
- MS has to disclose how their APIs and Communications Protocols work...unless those things relate is some vague, unspecified way, to

some sort of security issue dealing with "anti-piracy, anti-virus, software licensing, digital rights management, encryption or authentication systems, including without limitation, keys, authorization tokens or enforcement criteria". So in other words, all they have to do is build encryption into all of their Communications Protocols, for instance, and no matter how bad or ineffective it is, no one can ask how it works, thus allowing them to continue abusing their monopoly power.

- A technical committee will be formed to ensure that MS is doing what they're supposed to be doing, according to the settlement, will also take complaints from whomever wishes to complain, and make recommendations as to what to do about them...but the findings of the TC will never make it inside a courtroom! So much for trusting the experts...
- ...not to mention the fact that MS gets to pick one of the members of the technical committee, who in turns helps to pick the third! Why on \_earth\_ would you give the people who have been judged to be at fault in this case have \_any\_ power over the enforcement of their own punishment? You can be sure that whoever they pick will be biased, pro-Microsoft, and the restrictions on how long it's been since the person worked at Microsoft are pathetic; someone could've quit MS at the start of the anti-trust proceedings and already be ready to go for the committee...
- NONE of this applies to \_anything\_ other than x86-compatible PCs!! So handhelds that run Windows CE, game stations like the X-Box, and any other machines that can run Windows are exempt from any of this Because of course Microsoft would \_never\_ attempt to abuse those markets as well. Why on earth should the settlement be limited in this way?
- MS can go about its business, making \_no\_ disclosures about its middleware, so long as their beta tests involve less than 150,000 testers!! Why should they \_ever\_ go above this number, then? That's enough to test \_anything\_...
- MS gets to decide, at its sole discretion, what qualifies as an operating system, giving them enormous power to modify the impact of this judgement on future products.
- ...not that it matters, since this "remedy" is only good for five years, seven tops if the courts decides to extend based on some sort of systemic violations found in Microsoft's behavior.

In summary - This "Final Judgement" will NOT remedy the situation!!!! The consumers will \_still\_ suffer due to abuses of power by the Microsoft monopoly, just as they had before, but if this settlement is made, the states who settled (not to mention the federal

government) will lose their legal ability to \_do something\_ about this illegal monopoly for many years to come!!! This is patently absurd; anyone who takes a little time to read this can point out, as I just have, many, MANY holes in the judgement; it will force Microsoft to change its ways in order to find new ways to do what it's always done, but the basic pattern of behavior will not change. This is not justice, it's ludicrous. There is no free market so long as these sorts of abuses are allowed to occur, and without competition they will continue to occur. The computer \_hardware\_ market has shown itself to be a hotbed of competition, and as a result, we have gone, just a few years ago, from computers with 100 MHz processors to ones 20 times faster in clock speeds along - Not to mention the amazing advances in flat panel monitor and 3-D graphics processing technology, realistic 3-D sound, enormous, ultra-fat hard drives, and much more. Now, compare that to the operating systems market. We have a lot of very intelligent people working there as well, and working hard. But on the freedom to innovate? Innovate already, \_please\_!! I'd love to see that happen, but in the same amount of time that I described, we've gone from Windows 95 to Windows ME and XP. They're somewhat more stable than 95, yes, not to mention slower, requiring more processing power and resources to do the exact same things we used to do on our old machines, now obsolete in part due to the ridiculous idea that every "feature" is a good one, even if that's not what the user wants, and that sloppy, unoptimized code is OK because we'll just patch it later, people will buy faster computers, and after all, who \_else\_ are you going to get your software from??

This message was typed on a machine that runs Microsoft Windows, and I'll hazard it will be received by a machine that runs Microsoft Windows. If it's read at all, it will probably be read by people who use Microsoft Windows. And when those people go home from their jobs, they will come home to computers that most likely run Microsoft Windows. And the next computers they buy will \_also\_ run Microsoft Windows. And the next, and the next... This may not be true for 100% of the population, but 90% is good enough for me, and this is the real test - Look at Microsoft's market share. Will this judgement have \_any\_ impact on it? Or will Microsoft remain a monopoly? Who will make the next piece of software \_you\_ buy? And how much money have you sent them already? Does this bother you at all? Do you think it needs to change? Do you think this judgement will really have the sort of impact that's needed?

This isn't going to change anything; and in that respect, Microsoft has clearly \_won\_.

Daniel Schmidt dfs17@cornell.edu

Department of Materials Science and Engineering